

CALIFORNIA COASTAL COMMISSION

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F10a

A-5-LGB-20-0050 (DIG COAST INN, LLC)
August 9, 2021

CORRESPONDENCE

Cathy Jurca.....	2
Mark & Sharon Fudge.....	4

From: Catherine Jurca [<mailto:cathjurca@gmail.com>]

Sent: Friday, August 06, 2021 4:43 PM

To: SouthCoast@Coastal

Subject: Public Comment on August 2021 Agenda Item Friday 10a - Application No. A-5-LGB-20-0050 (Dig Coast Inn, LLC, Laguna Beach)

Dear Members of the Coastal Commission:

Thank you for the opportunity to comment on Agenda Item 10a, the Coast Inn project in Laguna Beach.

I live in Laguna Beach and in Glendale, where I serve as an appointed Historic Preservation Commissioner. I have been very active in preservation advocacy in both cities for several years and am the founder of the Laguna Beach Historic Preservation Coalition.

My education and decade of experience in preservation qualifies me to weigh in on the restoration of character-defining features of the Coast Inn, and what may or may not be necessary for it to qualify as an E-rated (which stands for “exceptional” by the way, not “excellent” [p. 21]) property. I ask you to make a modification to staff’s recommendation regarding the historic features.

The Coast Inn has gone through many modifications over the years, which makes finding a single moment where “it’s historic!” difficult to discern. I would agree that the turrets became an important character-defining feature after the building was remodeled in the 1930s to add a story; they are visible in the oldest photographs following this work. The turrets should be approved as part of the proposed project.

However, **the Commission should reject the new signage, which violates the LCP’s maximum area of onsite signage and is NOT historic.** All the photographic evidence from the earliest 1920s photos points to a single, slender roof-top sign running perpendicular to South Coast Highway. The roof-top sign was likely double-sided, but it was not two or even three signs. More photos are here: <http://www.coastinnhistory.com/gallery/> I doubt the Heritage Committee had access to many of them, given that the website is recent and created by a family member of the original Coast Inn owners.



Postcards do not trump photographs as historical evidence. They were created as advertisements and doctored all the time. It is not surprising that this one adds a big Coast Inn sign at the front since it is an advertisement for the Coast Inn.



The Report recommends approval of variances from the LCP because of “a special circumstance uniquely applicable to the site” (p. 15). But this special circumstance does not exist for the signage, because it did not exist. **Please reject the sign and approve instead a single sign that matches the one documented in historic photographs.** Changing the sign would not jeopardize the building’s “E”-rating; indeed, doing so would strengthen its claim to that rating.

The Coast Inn project is less a case of preserving Laguna’s remarkable historic character than of reconstructing it, but I am grateful for that opportunity nonetheless. I would simply ask that you not grant an exception to the LCP regulations governing signage based on misinformation about the sign and thus the historic character of the site.

Thank you for your consideration.

Best wishes,
Cathy Jurca

Date: August 6, 2021
Re: The Coast Inn, Laguna Beach

F10a

Dear Commissioners and Staff,

First and foremost this project (The Coast Inn) begs the question... ***If not now, when?*** This project is nonconforming in all critical respects as to parking, setbacks, building on the bluff face, and height, and yet it is being recommended for approval. We believe the evidence shows that the project constitutes new development and that **now** is the time to address non-conformities with the LCP.

The commission's Staff Report for this project reveals that Staff is recommending findings that are contrary to prior determinations by this Commission under the same LCP with exactly the same or similar circumstances. For instance, staff is opining that the project is *not* a major remodel/new development, but has not reviewed foundation plans (as they always find presents a substantial issue with previous appeals we've brought forward). Nor have they assessed previous demolition and construction at the site to determine cumulative work done at the site.

In this instance, Staff is not holding the Commission's approval to the same standards staff has applied to the City of Laguna Beach in multiple previous actions - such as requiring complete plans.¹ Without complete plans, the record does not contain evidence with which to make findings of compliance with the LCP, regardless of who the decision makers are. Furthermore, without complete plans in the record, the public is being denied the right to review and make comment. When plan review is deferred to a later time, and to a private review by the Executive Director, the process becomes much less transparent.

Intensities of use at the site have changed between 1992 and 2010 without evidence of permitting in the record. At an unknown time (post-1992), three (3) apartments were converted to hotel rooms without evidence of permits. Parking deficiencies have not been addressed (there are ZERO parking spaces at the site). Non-conforming uses have ceased for a period of greater than a year, so must not be reinstated (according to the City's LCP) unless and until they conform by providing parking. This requirement has been dismissed in the Staff report. And, much more obscurely, the proposed uses for the restaurant and bar are expanded from existing uses thereby exacerbating the parking deficiencies at the site. The site's location adjacent to a beach public access stairway makes it all the more critical to properly assess the lack of parking.

Each of these contentions are addressed below in more detail. We ask that the Commission DENY this permit and send the project back to the City (with direction) for a proper analysis. We further suggest that in the future Staff considers recommending denial of projects in de novo actions at the time substantial issue is found when these same circumstances are present (incomplete plans, obvious inconsistencies with

¹ Excerpts from those staff reports are included at the end of this letter.

LCPs, etc.) to conserve the Commission's resources (Staff time) and put the onus of approval on the local agencies - where it belongs - to properly permit local projects.

- Staff is recommending finding less than a "Major Remodel" without a foundation plan.

The application is incomplete because foundation plans were not included. In at least three past actions, the Commission has found that the lack of foundation plans constituted a lack of evidence with which to make findings of consistency with the certified LCP (see A-5-LGB-16-0098, A-5-LGB-19-0023 and A-5-LGB-20-0055 excerpts below). The project plans available to the public do not include any engineering. It is evident from the architectural drawings that the applicant intends on removing interior structural walls to open up the floorpan. No engineering has been provided. These changes may increase spans requiring larger joists and new structural members to carry these point loads to the ground (new footings). These changes may also require adding additional structure to transfer the earthquake loads to the footings (sheer forces). Staff has told us that the amount of this new development will occur on the bluff face, but "it will be kept to the minimum amount need to secure the structure." This is in direct opposition to our certified LCP which only allows for new development on a bluff face if it is for the benefit of the public.

- Staff is recommending finding less than a "Major Remodel" without assessing all alterations to the structure.

This is as simple as (for instance) reviewing the entirely new elevator shaft. The area of the shaft is not highlighted on the plans and should be included in the calculations.

- Staff is recommending finding less than a "Major Remodel" without assessing previous demolition and construction.

The City of Laguna Beach's certified LCP requires that a major remodel be calculated based on the original floor area of a structure. Please review our previous letter submitted to the Commission explaining this **(EXHIBIT 1)**.

Staff has failed to evaluate previous additions to determine if a Major Remodel has occurred or will be occurring. This is contrary to previous Commission decisions. See excerpt from A-5-LGB-20-0055 below. **In the City's certified LCP, measurements are calculated based on the original floor area of a structure.** The property was built in 1929. Shortly after the construction of the original hotel, a second story was added to the portion of the building along Mountain Ave. Also, circa 1941, we believe a variance was granted to add a fourth story to the bluff facing portion of the structure. This was a new level below the original structure and may explain the nonconforming staircase that impedes into public access.

Photos below are from the www.coastinnhistory.com website:

1929:



The Coast Inn 1929

This is the very original hotel grandpa built first. Notice no second story rooms as yet. Also notice how the paved road we now know as PCH STOPS. The paving of Laguna's main roads of 1926 ended here. Notice how the front upstairs is by itself. This was home to Pappy & Caroline and their 5 kids. Notice the corner of the second story, the lights. I have a feeling my grandfather had a way of using car lights to help light up his building. And that is a great wooden sign on the roof, great signage back in the early days.

1930s:



Coast Inn 1930s

Notice the front entrance off the main street and the South Seas entrance off Mountain Rd across from the parked car. Notice another entrance off the main street to the far left or south part of the building, the entrance to the tap room. Notice the curtains in the up stairs window, my grandmother's touch while she raised 5 kids.

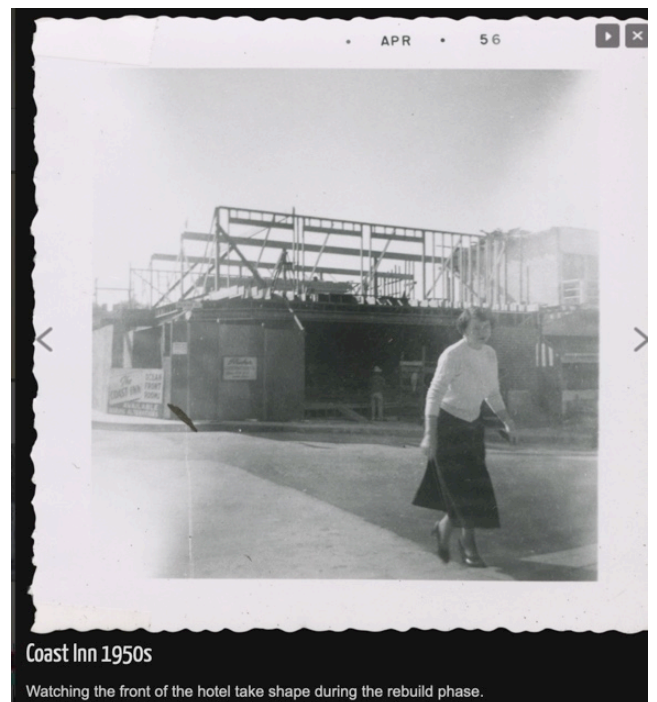
Here are the photos of the three levels on the ocean side in 1929 (original):



And in the 1940's, four levels are evident (also the removal of one of the turrets):



In the mid-1950s a major fire completely destroyed the front section of the building. That section - which accounts for approximately 20% of the original structure - was **demolished and rebuilt** in a slightly larger form. More fire damage occurred to the building in 1969 and 1977, but it is unclear what portion of the building that accounted for.



- No one has analyzed the changes in intensity of use from 21 hotel units to 24, and from 3 apartments to zero sometime between 1992 and 2010 (done without CDPs)

A letter dated June 15, 1987 (**EXHIBIT 2**) was sent by the City to the Coast Inn's representative at the time, stating that the property was non-conforming due to its deficient parking - that it required 61 on-site parking spaces and had none. The uses were listed as : "21 hotel rooms, 3 apartments with kitchens, four commercial spaces, one restaurant (54 seats), two bars (40 seats and 27 seats)." The letter explained that if destroyed by fire, flood, wind, or similar type of calamity, a reconstruction of the apartment uses would require onsite parking, but that if the three kitchens were removed prior to destruction occurring, that the City would allow redevelopment of the site with 24 motel units. Building permits were issued for fire damage in 1956 (demolition and rebuilding of the front portion of the structure), in 1969, and again in 1977.

In 1992 a Real Property Report (RPR) (**EXHIBIT 3**) was generated (as required by the LCP when property is transferred) stating the use as being in that same configuration (21 hotel rooms + 3 apartments, etc.) so presumably the contemplated work from 1987 had not yet been completed by 1992. However, at some point, the work was done (as evidenced by the current configuration of 24 hotel rooms) and was done without a Coastal Development Permit which would have been required as changes in the intensity of use constitute development and require CDPs.

The 1992 RPR also lists 19 building permits that were issued between 1938 and 1990 at the site. Although the property transferred hands again recently, there is not a copy of the most recent RPR in the online files so it is unknown to us how many additional permits may have been issued since 1992. The issued permits include the demolition of the front portion of the building (which constitutes approximately 20% of the entire structure), the enclosure of a commercial patio and the rebuild of the front portion of the building. ALL of these permits must be accounted for in the cumulative figures for how much work has occurred to the building since its original state in order to determine if this subject permitting constitutes a Major Remodel, which would then trigger the requirement for the building to be brought into conformity with the LCP.

Additionally, at some point between 1992 and today, there has been a loss of three (3) apartments in the Coastal Zone. This loss has not been analyzed.

- Inadequate evaluation of parking deficiencies - reopening of ceased nonconforming uses

This site has been historically used as a hotel, restaurant/bar and commercial/office space for most of its existence.² Because it was built in the late 1920s there were no parking regulations to conform to. When those regulations came into being (in the

² It was originally built with residential uses and three (3) apartments existed at the site until at least 1992. At some point those three apartments were converted to hotel rooms.

1950s) the uses of the building became legally nonconforming because the property did not provide any parking spaces. This point is undisputed.

In 2007, the bar(s) ceased operation. At an unknown point, many years ago, the restaurant ceased operation. LBMC 25.56.006 addresses what happens if nonconforming uses (such as are present in this case) cease for a period of twelve or more consecutive months ... it states that if nonconforming uses, or portions thereof, cease for that period of time, **the use shall not thereafter be reestablished or reopened**. In other words, if the use reopens, it must not be nonconforming any longer. In this case, the reopening of the use must provide parking.

- Inadequate evaluation of parking deficiencies - expansion of use

Additionally, there have been **expansions of use** proposed, but these expansions have not been clearly indicated by the City's staff report nor the Commission's staff report. As noted above, the use of the building is nonconforming due to lack of parking. In 1987, the City stated that the building was deficient by 61 on-site parking spaces. By 2020, the building was deficient by 86 parking spaces. However, no permits have been approved to make the building even more deficient ... so what happened?

Additionally, on page 10 of the July 28, 2020 City Council Agenda Bill (**EXHIBIT 4**) is a chart (Table 2 - Previous and Proposed Project Details) which spells out Existing Uses and proposed 2020 Application Uses. However, this table is incomplete. The number of seats (a measure of how many parking spaces are required) is only shown on the 2020 column. As discussed above, the number of seats previously allowed was 54 seats for the restaurant and 67 seats in the two bars totaling 121 seats. The 2020 Application column asks for 86 seats in the restaurant and 121 seats in the bar for a total of 207 seats ... a 71% increase. Expansions of use equate to new development. Any expansions of non-conformities must comply with Title 25 of the LCP (LBMC 25.56.008) which includes parking requirements.

In conclusion, it is clear that Commission Staff believes that either *a) new development; b) a major remodel; or c) additions to existing structures* is occurring at the site based on the requirement of the applicant to waive rights to future bluff/shoreline protections. These are the triggers that we believe are present - meaning that ALL applicable protections provided by the LCP should be applied in this case. (LUE Action 7.3.9)

Our cursory analysis of the building, looking at the additions (the second story along Mountain and the fourth level on the bluff) and repair of fire damages done in the past would themselves nearly constitute a major remodel. Without a doubt, when the currently proposed project of "37% alteration of exterior walls, 47% alteration of the roof and not more than 23% alteration of the foundation" is reviewed along with previous work done to the structure, a cumulative major remodel is being proposed.

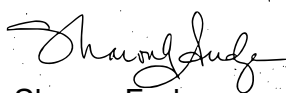
New development is being approved on the bluff face and within the setback that is clearly beyond what "repair and maintenance" would allow. Please review the

decisions made on 11 Lagunita, among others, and apply those same standards to this project. Please **Deny** this iteration of the project and send it back to the City for proper review as new development.

Thank you for your consideration of our remaining concerns. We are happy to answer any questions.



Mark Fudge
markfudge@me.com



Sharon Fudge
fudge1@cox.net

Attachments:

- Exhibit 1 - October 22, 2020 letter from Fudges to CCC
- Exhibit 2 - June 15, 1987 letter from City to Coast Inn agent
- Exhibit 3 - March 16, 1992 Real Property Report
- Exhibit 4 - Table 2 - Previous and Proposed Project Details (City Agenda Bill)

Previous Staff Report excerpts:

A-5-LGB-16-0098 (31505 Bluff Drive, Laguna Beach)

*According to the plans in the City's record, the proposed net 1,274 sq. ft. addition to the residence is less than 50% of the original gross floor area of the structure. Moreover, less than 50% of the exterior walls, floors, and the roof are proposed for demolition when considered individually and cumulatively. Based solely on this information, the City characterized the locally-approved development as a minor remodel. **However, foundation plans were not provided to the City. The City, therefore, failed to consider the amount of demolition proposed to the existing foundation. Because a foundation is an essential structural component of any structure, demolitions and improvements to a foundation should be considered when determining whether or not a remodel/reconstruction of an existing structure is considered major or minor. The City, therefore, did not have an adequate degree of factual support for its decision that the development is consistent with the LCP's characterization of minor remodel.** Consequently, there is a potential that the locally-approved development is in fact a major remodel/reconstruction of an existing structure per applicable LCP policies. For the foregoing reasons, the Commission finds that a substantial issue exists with respect to the grounds on which the appeal was filed pursuant to section 30603 of the Coastal Act as to this specific issue.*

The Commission can also look at the extent of demolition occurring to the existing structure and the location within the existing structure where such demolition is taking place. Land Use Element (LUE) states that 50% or more demolition/reconstruction of an existing residence constitutes a major remodel.

According to the project plans, less than 50% of the exterior walls, floors, and the roof are proposed for demolition when considered individually and cumulatively. However, because a foundation is an essential structural component of any structure, demolitions and improvements to foundation should be considered when determining whether or not a remodel/reconstruction of an existing structure is considered major or minor.

*The applicant has indicated that the existing slab, retaining walls, and foundations of the basement level will be retained, and that the existing foundation at the main level will be underpinned. However, the proposed enlargement of the basement level by 443 sq. ft. will require significant excavation within the existing structure's footprint, and significant alteration of the existing lower level and foundation. **The applicant has only submitted a conceptual foundation plan** that fails to provide the detailed information necessary to calculate the amount of alteration and/or demolition proposed to the foundation or to show all the new foundational elements proposed (i.e. caissons) for the proposed remodel and addition. **Consequently, the Commission does not have the information necessary to support a decision that the development is consistent with the LCP's standards for a minor remodel.***

A-5-LGB-19-0023 (31861 Coast Highway, Laguna Beach)

*Staff recommends that the Commission determine that a substantial issue exists with respect to the grounds on which appeal number A-5-LGB-18-0012 has been filed for the following reasons: **the City's decision** that the development is consistent with the provisions of the LCP regarding new development on an ocean-fronting bluff and bluff protective devices **was not adequately supported by documents in the record file** or the Local CDP's findings. In addition, **the scale of the project is unclear because foundation plans have not been provided for review.** Further information is required to determine whether or not the project is consistent with the relevant policies of the LCP and the public access policies of the Coastal Act. In addition, more information is necessary to adequately evaluate and address any existing nonconformities (and potentially unpermitted development) and natural resources (e.g. wetlands and environmentally sensitive areas) that exist on-site.*

A-5-LGB-20-0055 (1225 Cliff Drive, Laguna Beach)

*Furthermore, the City did not adequately determine whether or not the proposed project constitutes a major remodel. While the City determined that the project would result in less than 50% alteration of the roof structure, floor area, and exterior walls, the City did not require or review any foundation plans. Therefore, it is unknown if the foundation would be altered by more than 50%. **In addition, the City did not factor in demolition/alteration calculations from previous remodel projects at the same site. Therefore, it is possible that approval of this project may result in a cumulative major remodel of the residence. Under the certified LCP, and based on Commission precedent, major remodels at a site must consider cumulative remodels/additions,** and if a major remodel threshold is met, then the entire structure is required to come into compliance with the LCP policies. More information and analysis are needed to determine whether the residence has been substantially remodeled and whether the residence would need to come into compliance with the current LCP policies.*

Mark and Sharon Fudge

P.O. Box 130
Laguna Beach, CA 92652-0130
949-481-1100
fudge1@cox.net

October 22, 2020

California Coastal Commission
South Coast District Office
301 E. Ocean Blvd. Suite 300
Long Beach, CA 90802-4325
Chloe Seifert, Analyst

Re: A-5-LGB-20-0050 (Coast Inn, Laguna Beach) **Th10a**

Dear Chloe,

Thank you for the staff report for our appeal of the Coast Inn project in Laguna Beach. We are in support of Staff's recommendation of finding Substantial Issue.

There is one critical point in the staff report that we do not agree with. On page 11 you've written : *"The appellants contend that the percentage of project renovation must be calculated from the original gross floor area of the structure in order to determine whether a project constitutes a major remodel; they further assert that this should include all improvements constructed on the residence [sic] since 1929. However, in previous actions the Commission has reviewed the scope of development occurring after the Coastal Act was effectively certified on January 1, 1977. Thus, this specific contention is not supported by past precedent or LCP Policy."*

However, the use of the 'original gross floor area' of a structure as a baseline for determining a major remodel IS supported by LCP Policy. The word 'original' is referenced in 8 different locations in the municipal code, including the only place a definition of 'major remodel' exists in the code. Once a Local Coastal Program has been certified, that LCP becomes the ruling document for review of development in that jurisdiction. While the Commission may have used the certification date of the Coastal Act in previous actions as the baseline for review of redevelopment, that is not relevant when a local agency - here, Laguna Beach - has a certified LCP that uses a different metric for measurement.

Section 30604(b) of the Coastal Act states that after the certification of a local coastal program, a coastal development permit shall be issued if the issuing agency or the commission on appeal finds that the proposed development is in conformity with the certified local coastal program. Just this year in *Citizens for South Bay Coastal Access v. City of San Diego*, the Court of Appeal affirmed that the Coastal Commission's regulations do not preempt provisions of a certified LCP. And here, the Coastal Commission's regulations do not address the question of what date is controlling to assess when redevelopment occurs. The date of January 1, 1977 is not in the regulations. While that date has been used in previous reviews, it has been challenged by multiple local agencies such as San Clemente, Pacific Grove, and others. The City of Laguna Beach is reportedly going to be asking to change the date to January 13, 1993 (the date of certification of their LCP) in an upcoming LCP amendment, but that has not yet been certified and therefore is no more controlling than the date of January 1, 1977.

This is a complex statewide issue, and it is time for there to be consistency throughout the State. In the case of Laguna Beach, it is not necessary to adopt a date specific because the City's LCP - in multiple instances - refers to the 'original square footage' or 'original gross floor area' as the baseline for land use decisions. The relevant codes are copied and highlighted below for your convenience (*emphasis added*) :

25.05.040 Design Review (B) Development Subject to Design Review.

(1) *All new buildings, structures and physical improvements and relocations, additions, extensions and exterior changes of or to existing buildings, structural and nonstructural improvements, including landscaping and grading, shall be subject to design review, except as otherwise provided in Section 25.05.040(B)(2). Examples of physical improvements and site developments subject to design review include, but are not limited to, the following:*

25.05.040(B)(1)(j) *Additions that are 50% or more of the **original gross floor area**, additions that create a new upper story, additions that exceed a height of 15 feet above the adjacent ground elevation or additions that exceed 10% of the **original gross floor area** of an existing legal nonconforming structure;*

25.05.040(B)(1)(q) *Landscaping review for new development or additions that are fifty percent or more of the **original gross floor area**, additions that create a new upper story or additions that exceed a height of fifteen feet above the adjacent ground elevation, and for structural improvements within environmentally sensitive areas;*

25.05.040(B)(2) *Exceptions. The following shall be exempt from the design review process, unless they are changes associated with approved design review plans, including approved landscape plans:*

- (a) *Additions to a single-family residence in residential zones that:*
(i) *Are less than fifty percent of the **original gross floor area**,*

25.08.012 Words beginning with "F."

The following are definitions for words beginning with "F":

"Floor area, gross" means the sum of the gross horizontal areas of the several floors of a building, excluding areas used for garage purposes, elevators shafts and such other basement, cellar or attic areas as are devoted exclusively to uses accessory to the operation of the building. Horizontal dimensions shall be measured from the face of the building and shall include enclosed porches, stairways and exit balconies;

"Floor area, original gross" means the gross floor area (as defined herein) of a separate unattached structure when initially constructed.

25.10.008 Property development standards.

*25.10.008(O) Landscaped open area or landscaped area shall be any combination of living plants (such as grass, ground cover, shrubs, vines, hedges or trees). To qualify as part of the required landscaped area there must be a minimum dimension of three-feet. The landscaped area may be located anywhere within the lot, including the buildable or setback areas. **A major remodel is a structural renovation and/or addition, which equals or exceeds fifty percent of the original gross floor area of the structure on the lot.***

25.45.006 Historic register preservation incentives.

Structures listed on the city's historic register are eligible to apply for the following preservation benefits. The consideration of benefits shall occur at a public hearing and the granting of any benefit shall be conditioned upon the recordation of a written agreement between the city and property owner that ensures preservation of the building's historic character. The notice of public hearing shall include notice that the applicant is requesting approval of historic preservation incentives and what those requested benefits are.

(A) Parking. The following benefits are subject to design review board approval, except when a conditional use permit is required, in which case the city council shall be the final approval authority, upon recommendation by the planning commission. The planning commission shall consider recommendations of the heritage committee.

(1) Historic single-family dwellings that are nonconforming due to substandard parking shall not be required to provide parking in accordance with Chapter 25.52 of this title when additions are proposed, provided that

*such **additions do not exceed more than fifty percent of the original square footage of the structure** and that at least one covered parking space has been provided on-site. When a second residential unit is being added to a historic structure under the provisions of Chapter 25.17 (Second Residential Units), parking shall be in accordance with the requirements of that chapter unless modified by the city council for purposes of achieving the goals of the historic preservation ordinance.*

(2) *Historic multiple-family dwellings that are nonconforming due to substandard parking shall not be required to provide parking in accordance with Chapter 25.52 when additions are proposed, provided that such **additions do not exceed more than fifty percent of the original square footage of the structure** and that at least half of the parking spaces required in Chapter 25.52 have been provided.*

25.56.014 Restoration of nonconforming structure.

*Notwithstanding the extent of damage, any legal nonconforming building, structure or improvement which has been damaged by fire, flood, wind, earthquake or other disasters may be repaired, restored, replaced or reconstructed up to the **original size**, placement and density within five years of such damage or destruction, notwithstanding any other provision of this title; provided, however, that no multiple-family dwelling which has been so damaged to the extent of more than fifty percent of the value of such building, structure or improvement immediately prior to such calamity shall be repaired, restored, replaced or reconstructed unless the provisions of Chapter 25.52 are complied with in full; and provided further, however, that no shore protective device shall be repaired, restored, replaced or reconstructed unless it is consistent with prevailing zoning regulations and general plan policy. (Ord. 1530 § 1, 2010; Ord. 1282 § 1, 1994).*

The City of Laguna Beach uses the 'original gross floor area' (defined as 'the floor area of the structure when initially constructed') as the baseline for multiple applications of the implementation plan (IP) of their LCP, including the definition of a major remodel. Neither the Coastal Act, Coastal Regulations or past decisions on other areas supersede the City's certified LCP. We ask that you correct the staff report to reflect this so it can be properly reviewed during the de novo stage of the appeal.

Sincerely,



Mark and Sharon Fudge



June 15, 1987

Mr. Doug Case
Doug Case and Associates
105 Crescent Bay Drive, Suite K
Laguna Beach, California 92651

Reference: Coast Inn
1401 South Coast Highway
Laguna Beach, California

Mr. Case:

This letter is intended to clarify the City's position on the "legal, non-conforming" status of the above referenced property.

These improvements were constructed in 1930 in conformance with building and property development codes in effect at that time. Subsequent to the construction, the City has adopted a municipal code requiring on-site parking. The above property is considered to be "legal, non-conforming" since it does not provide adequate on-site parking.

According to City records, the approved use includes 21 motel units, 3 apartments with kitchens, a restaurant (54 seat capacity), two bars (40 and 27 seat capacity) and four retail tenancies. If constructed in compliance with current municipal code, approximately 61 on-site parking spaces would be required.

If these improvements were partially or totally destroyed by fire, flood, wind, earthquake or other calamity, the City would permit reconstruction of the improvements at a density equivalent to the existing approved use. The reconstruction must conform to current Uniform Building Code (UBC) guidelines and property development standards (with the single exception of on-site parking provisions). Section 25.56.014 states that no multiple-family dwelling destroyed more than 50 percent can be repaired, restored, replaced or reconstructed unless the provisions of Chapter 25.52 are complied with. This means that reconstruction of the apartment uses would require on-site parking. If the existing cooking facilities (kitchens) in these three affected units were removed prior to destruction occurring, the City would allow redevelopment of the site with 24 motel units (no cooking

facilities), restaurant, bar and retail uses previously authorized.

Additionally this reconstruction would not require the payment of any development fees (school fees, park and drainage fees etc.). Applicable fees will include building permit fees, plan check fees, hearing fees, etc.

Thank you for this opportunity to be of service. If you have any additional questions regarding City property development standards or zoning, I remain available for further assistance.

Sincerely,



Jack Connors
Zoning Administrator, City of Laguna Beach

**CITY OF LAGUNA BEACH
DEPARTMENT OF COMMUNITY DEVELOPMENT
REAL PROPERTY REPORT**

I. NOTICE TO BUYER

The purpose of this report is to inform the buyer of property within the City of Laguna Beach of the conditions and restrictions applicable to the property as revealed by a search of City files. These files are available for review at City Hall, and it is suggested they be reviewed prior to completing the transaction. If the conditions actually observed on the property by the buyer deviate from the information detailed below, the buyer is encouraged to contact the owner to arrange for an inspection of the property by City personnel, as there may be uses or structures which are not legally permissible. The inspection of the property will be conducted without additional charge, upon the property owner's written request if requested within 30 days of the issuance of this report.

II. LOCATION OF PROPERTY: 1401 So. Coast Highway (location map attached)

III. LAND USE AND ZONING INFORMATION

A. Zone: The subject property is located in the C-1 Zone. The uses permitted in this zone are listed in the Laguna Beach Municipal Code, and summarized on Schedule A (attached).

B. Use: City records show the following structures/uses exist on the subject property:

Motel with 21 rental rooms; 3 apartments with kitchen; 4 commercial office spaces; 1 restaurant (54 seats); 2 bars, 1 with 40 seats; 1 with 27 seats. Property is located in an environmentally sensitive area due to proximity to ocean and bluffs. Legal, non-conforming due to density and parking.

C. Special Permits: The following Variances, Conditional Use Permits or other permits have been approved for this property (including any special conditions placed on the property because of the permits):

VA 89- allowed addition to existing non-conforming building; 9/25/41
VA 662- allowed marquee and sign; 2/6/50
VA 1009- allowed extension of marquee & second floor roof to property line; 2/6/56

D. Legal Lot: The subject property ☒ is ☐ is not a legal building site.

Portion of lot 1, Westmoor Addition

IV. BUILDING INFORMATION

A. Outstanding Permits: The following permits have been issued relative to the subject property, but not completed:

None of record

B. Completed Permits: The following permits represent significant construction work which has been completed on the subject property:

No original building permits on file.

Building Permit	#	5178	9/14/38	Construct alterations to two rooms
"	"	6589	2/24/41	Construct alterations to cocktail lounge
"	"	6935	10/17/41	Construct dining room
"	"	7012	1/13/42	Construct repairs to dining room
"	"	7956	7/27/44	Construct bay window
"	"	8708	11/19/45	Construct alterations to existing building
"	"	11778	11/09/49	Construct repairs and redecorate
"	"	11926	3/20/50	Construct repairs and remodel
"	"	14680	1/25/56	Demolish portion of existing commercial building

OVER

V. UNRESOLVED PROBLEMS: The following problems or issues are outstanding or unresolved, with respect to the City's files, as of the date of this report:

None of record

VI. BUILDING PERMITS ARE REQUIRED FOR ANY DEMOLITION, REPAIR, CONSTRUCTION OR ALTERATION.

This report, issued on March 16, 1992 is valid for three (3) months, unless extended below, and will expire on June 16, 1992, by [Signature] for Director of Community Development. A three (3) month extension has been authorized on _____ and will expire on _____ by _____, for Director of Community Development.

NOTE: Rental of three (3) or more units within the City of Laguna Beach requires each owner of the units to obtain a City of Laguna Beach Business License each year. Failure to obtain a City of Laguna Beach Business License is a Violation of the Municipal Code, Section 5.08.600 RENTING OF PROPERTY AND ACCOMMODATIONS.

As the new legal owner(s) of the subject property, I certify that I have read, and understood, and retained a copy of this report.

PLEASE PRINT OR TYPE NAME: _____ DATE: _____

SIGNED: _____

STREET ADDRESS OF SUBJECT PROPERTY: 1401 South Coast Highway AP# 644-217-01

PROPERTY OWNERS MAILING ADDRESS, IF OTHER THAN ABOVE: _____

Please sign and return this (lower) portion to the Department of Community Development, City Hall, 505 Forest Avenue, Laguna Beach, CA 92651.

pk(REV3-21-88)

**Exhibit 3
pg 1 of 2**

1992 Existing
uses:

1941 addition

Building
permits

B. Completed Permits.

Building Permit

" " # 14731 2/28/56 Enclose commercial building patio
" " # 14815 4/26/56 Rebuild front section of commercial building
" " # 16971 9/12/60 Construct alterations to restaurant
" " # 69-147 4/17/69 Construct fire damage repair
" " # 77-045 2/08/77 Construct fire repair, painting and paneling
" " # 77-046 2/08/77 Construct alterations
" " # 78-359 7/13/78 Replace wall coverings and floor coverings
" " # 79-188 5/02/79 Remodel kitchen
" " # 83-340 8/19/83 Reroof
" " # 90-692 9/07/90 Reroof

Dye test confirmed sewer connection; 3/27/78

Nothing here
indicates what the
current number of
'seats' are ... but the
1992 RPR shows a
total of 121 seats.

Proposed seats:
207
(not including the roof deck which has
been removed from the plans)

Table 2 – Previous and Proposed Project Details

Use Area	Existing Uses			2018 Application				2020 Application			
	Area (s.f.)	Grand-fathered Parking	Current Parking Code	Area (s.f.)	Seats	Special Events	Daily/Event Parking	Area (s.f.)	Seats	Special Events	Daily/Event Parking
Hotel	10,177	12	26	13051.79	0		26.00	11187	0		26.00
Seven Seas (Level 1)	N/A			3034	86	Yes	30.33	n/a	86	No	0.00
Kitchen (Level 4)	N/A			1,321	0	No	13.20	n/a	0	No	0.00
Tap Room (Level 3)	5,755	84	58	2,806	71	No	28.06	5,567	121	No	55.67
Rooftop Deck	N/A			2,812	175	Yes	58.33	3,707	75	No	0*
Office Area	886	2	2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Parking Required	Total	98	86			Total	156			Total	82

*hotel guest use only

- (3) **Major remodel:** Pursuant to the Land Use Element of the City's General Plan, "Major Remodel" is defined as an *alteration of or an addition to an existing building or structure that increases the square footage of the existing building or structure by 50% or more; or demolition, removal, replacement and/or reconstruction of 50% or more of the existing structure; greater specificity shall be provided in the Laguna Beach Municipal Code.*

Since the project was last reviewed by the City Council, the City has been working with the California Coastal Commission to refine the City's interpretation of this General Plan policy. Under the City's current interpretation, if a project includes demolition or reinforcement of 50% or more of the exterior walls (measured in linear feet) OR the combined roof/walls/foundation of the structure, the project is considered a major remodel. The applicant has updated the plans to provide demolition calculations based on these parameters, which indicate that a total of 40.9% of the exterior walls and 44% of the combined areas are proposed to be demolished/reinforced. Therefore, staff concludes that the proposed project does not constitute a major remodel.

- (4) **Bluff encroachment:** The applicant proposes to restore the covered deck area and enlarge the existing deck on level 3 of the Coast Inn to match the historic postcard. This restored deck area is proposed within the 25-foot blufftop setback; however, the proposed deck addition will be in line with the previous deck (as noted in the 1935 postcard) and will not extend beyond the existing structure. The Historic Preservation Ordinance allows additions to historic structures to maintain setbacks up to the line of existing encroachments; therefore, a variance is not required to reconstruct the deck in this area. Staff believes that this deck addition enhances the historic resource and is consistent with the General Plan and the Municipal Code.

CERTIFICATE OF USE

Department of Community Development
City of Laguna Beach, California

This is to certify that business of Hotel with 21 rental rooms, 3 apartments with kitchens,
(thoroughly describe use)
four commercial spaces, one restaurant (54 seats), two bars (40 seats and 27 seats)

at 1401 So. Coast Highway in or on premises at 1401 So. Coast Highway
(shop or suite address) (street address of building, complex or site)

and operated by John W Halderman, Tim Foutch, Craig Attebury
(name and address of owner and proprietor)
under the name of Coast Inn is an approved use
(business name)
as a ~~restaurant~~ non-conforming (strike one) use in the C-1 zone, as authorized by M. C. Title 25
(Deficient in Parking) (variance or CUP number, etc.)

Expiration date: _____

Approved By: _____

Date: December 11, 1992

Title: Zoning Administrator

POST IN CONSPICUOUS PLACE ON PREMISES

Note: This Certificate is non-transferable and applies only to the premises identified above for the use authorized above.

Exterior changes, including signs, require prior Design Review Approval.